



MEETINGS SCHEDULED FOR MARCH

Minnesota Housing
400 Wabasha Street N. Suite 400
St. Paul, MN 55102

THURSDAY, MARCH 26, 2020

Regular Board Meeting
10:00 a.m.

Conference Call

Toll-free dial-in number (U.S. and Canada):
(888) 742-5095

Conference code:
4014552918

NOTE: The information and requests for approval contained in this packet of materials are being presented by Minnesota Housing staff to the Minnesota Housing Board of Directors for its consideration on Thursday, March 26, 2020.

Items requiring approval are neither effective nor final until voted on and approved by the Minnesota Housing Board.

The Agency may conduct a meeting by telephone or other electronic means, provided the conditions of Minn. Stat. §462A.041 or Minn. Stat. 13D.021 are met. The Agency shall, to the extent practical, allow a person to monitor the meeting electronically and may require the person making a connection to pay for documented marginal costs that the Agency incurs as a result of the additional connection.

This page intentionally left blank.



400 Wabasha Street North, Suite 400
 St. Paul, MN 55102
 P: 800.657.3769
 F: 651.296.8139 | TTY: 651.297.2361
www.mnhousing.gov

Mission

Housing is the foundation for success, so we collaborate with individuals, communities and partners to create, preserve and finance affordable housing.

Vision

All Minnesotans live in a safe, stable home they can afford in a community of their choice.

AGENDA

Minnesota Housing Board Meeting

Thursday March 26, 2020

10:00 a.m.

- 1. Call to Order**
- 2. Roll Call**
- 3. Agenda Review**
- 4. Approval of Minutes**
 - A. (page 5) Regular Meeting of February 27, 2020
 - B. (page 9) Special Meeting of March 16, 2020
- 5. Reports**
 - A. **Chair**
 - B. **Commissioner**
 - C. **Committee**
- 6. Consent Agenda**
 - A. (page 11) Approval, Community Homeownership Impact Fund Scoring Revisions for the 2020 Single Family Request for Proposals Staff
 - B. (page 17) Selection and Approval, Asset Management Loan
 - Dover Hill, D0582, Golden Valley;
- 7. Action Items**
 - A. (page 25) Selection Recommendations, Rental Rehabilitation Deferred Loan (RRDL), 2019 USDA Rural Development Preservation Initiative RFP
 - B. (page 35) Selection Recommendations, Workforce Housing Development Program
- 8. Discussion Items**
 - A. Covid-19 Plan
- 9. Information Items**

None.
- 10. Other Business**

None.
- 11. Adjournment**

This page intentionally left blank.

DRAFT Minutes
Minnesota Housing Board Meeting
Thursday February 27, 2020
1:00 p.m.

1. Call to Order.

Chair DeCramer called to order the regular meeting of the Board of Minnesota Housing Finance Agency at 1:09 p.m.

2. Roll Call.

Members Present: Terri Thao, Stephanie Klinzing, John DeCramer, Craig Klausing, Melanie Benjamin, and Julie Blaha.

Minnesota Housing Staff present: Tal Anderson, Noemi Arocho, Ryan Baumtrog, Kevin Carpenter, Rachel Franco, Darryl Hennen, Jennifer Ho, Hannah Jirak, Kasey Kier, Tresa Larkin, Debbi Larson, Song Lee, James Lehnhoff, Nira Ly, Eric Mattson, Jill Mazullo, Tom O'Hern, Ashley Oliver, John Patterson, Caryn Polito, Paula Rindels, Rachel Robinson, Anne Smetak, Kim Stuart, Mike Thone, Nicola Viana, and Carrie Weisman.

Others present: Ramona Advani, Minnesota Office of the State Auditor; Josh Noah, Winthrop & Weinstine.

3. Agenda Review

There is one change to the agenda, Consent Agenda Item 6E. Copies of the walk on item are located at each of the board members' seats as well as at the table with the other board materials.

4. Approval

Regular Meeting Minutes of January 23, 2020

Motion: Julie Blaha moved to approve the January 23, 2020 minutes. Seconded by Terri Thao. Motion carries 6-0.

5. Reports

A. Chair

None.

B. Commissioner

New Employee Introductions:

Marcia Kaasa introduced Christine Lano, Reporting Analyst, Single Family Division

Cathy tenBroeke introduced Eric Grumdahl, Deputy Director, Minnesota Interagency Council on Homelessness

Eric Grumdahl introduced Elizabeth Dressel, Equity Coordinator and Implementation Specialist, Minnesota Interagency Council on Homelessness

Commissioner Ho shared the following with the board:

- Currently looking to hire a Tribal Liaison and a Chief Information Officer.
- Will begin to actively recruit for the open board position vacated by Nawal Noor.
- Continue to work hard on equity and inclusion, both internally and externally.
- Legislative Session began on February 11. Recently appeared before the House and Senate Committees.
- Continue conversations around Fort Snelling.
- Meetings and Travel:

- Harvard Joint Center for Housing Studies Rental Report release
- Thief River Falls/Roseau visit with Senator Johnson and Ryan Baumtrog
- Spoke at the Glen at Valley Creek Grand Opening with Governor Walz
- Ehlers' Minnesota Public Finance Seminar
- Met with GOP Housing Chairs
- Breakfast with Mayor Frey
- Almanac Appearance on Wednesday March 4
- House Capital Investment Committee Hearing
- Upcoming travel to Washington DC for the NCSHA Legislative Conference

Events:

- MN Chamber 2020 Session Priorities dinner
- Minnesota Housing Partnership Investors Council Legislative breakfast
- Minnesota Indian Affairs Council meeting and Legislative dinner
- Homes for All Legislative Session kick-off event
- Health and Housing Summit
- Twin Cities Habitat for Humanity (TCHF) Annual Board Dinner
- National Alliance to End Homelessness conference
- Prosperity's Front Door event

C. Committee

Prior to the board meeting, the Finance and Audit Committee met to review the 2019 Agency Risk Profile, the 2019 Annual Conflict of Interest Disclosure Report, and the Semi Annual Chief Risk Officer Report. Tom O'Hern, General Counsel, provided an overview of Board Members' Ethics and Conflicts of Interest Responsibilities.

6. Consent Agenda

- A. Waiver of the Predictive Cost Model 25 Percent Threshold
 - Conifer Villas, Bemidji, D8115
- C. Grant and Loan Contract Modification, Impact Fund, Headwaters Housing Development Corporation
- D. Homeownership and Downpayment and Closing Cost Loan Programs Changes
- E. Approval, Selection and Commitment, 2020 Housing Tax Credits (HTC), Brooten Area Housing

Motion: Julie Blaha moved to approve the Consent Agenda Items. Seconded by Terri Thao. Motion carries 6-0.

7. Action Items

Stephanie Klinzing requested that Consent Agenda Item B move to Action Items.
Consent Agenda Item B.

6B. Waiver of the Predictive Cost Model 25 Percent Threshold -Oak Park Village Apartments, St. Louis Park, D1514;

Board members asked a series of questions and staff provided answers. **Motion:** Stephanie Klinzing moved agenda item Waiver of the Predictive Cost Model 25 Percent Threshold- Oak Park Village Apartments, St. Louis Park, D1514. Seconded by Terri Thao. Motion carries 6-0.

A. Approval, Resolution authorizing the issuance and sale of Minnesota Housing Finance Agency Homeownership Finance Bonds

Kevin Carpenter presented to the Board a request for approval of a resolution authorizing the issuance and sale of Minnesota Housing Finance Agency Homeownership Finance Bonds. Agency staff is preparing to issue bonds for the acquisition of newly originated mortgage-backed securities comprised of mortgage loans from the Agency's homeownership program. Kutak Rock LLP, the Agency's bond counsel, has prepared a resolution authorizing the terms of one or more bond issues, not-to-exceed \$300 million and to be issued prior to the end of 2021. Bond counsel and Agency staff has also prepared a Preliminary Official Statement for an offering of approximately \$60 million in Homeownership Finance Bonds, 2020 Series AB, which is anticipated to price in mid-March of 2020. Michelle Adams, Kutak Rock, joined the meeting via conference call to review the specifics of the resolution.

Chair DeCramer opened up the discussion. Board members asked a series of questions and staff provided answers. **Motion:** Terri Thao moved agenda item Approval, Resolution authorizing the issuance and sale of Minnesota Housing Finance Agency Homeownership Finance Bonds. Seconded by Stephanie Klinzing. Motion carries 6-0.

8. Discussion Items

A. 2nd Quarter FY 2020 Financial Reporting Package

Kevin Carpenter reviewed the financials included in the board packet.

B. First Quarter 2020 Progress Report: 2020-22 Strategic Plan and 2020-21 Affordable Housing Plan Progress Report

John Patterson reviewed the progress report for the Strategic Plan and Affordable Housing Plan.

9. Information Items

A. Variable Rate Debt and Swap Report (as of 1/1/2020)

B. Post-sale Report: Residential Housing Finance Bonds (RFHB) 2020 Series ABC

10. Other Business

None.

11. Adjournment

The meeting was adjourned at 2:07 p.m.

John DeCramer, Chair

This page intentionally left blank.

Special Minnesota Housing Board Meeting

March 17, 2020

3:00 p.m.

Via Conference Call

1. Call to Order.

Chair DeCramer called to order the special meeting of the Board of Minnesota Housing Finance Agency at 3:04 p.m.

2. Roll Call.

Members Present: Terri Thao, Stephanie Klinzing, John DeCramer, Craig Klausing, and Julie Blaha.

Minnesota Housing Staff present: Kevin Carpenter, Rachel Franco, Jennifer Ho, Tom O'Hern, Rachel Robinson, and Anne Smetak.

Others present: Ramona Advani, Minnesota Office of the State Auditor;

Commissioner Ho provided the board with an overview of the current state of the Agency as a response to Covid-19.

A. Approval, Delegation of Authority Request

Tom O'Hern presented to the board a request for approval of a delegation of authority to allow the Commissioner to approve such Agency actions as may be necessary to respond to a declared state of emergency in the State of Minnesota.

Board Chair DeCramer opened up the discussion. Board members asked a series of questions and staff provided answers.

Motion: Julie Blaha moved Approval, Delegation of Authority Request with the amendments to the resolution. Seconded by Stephanie Klinzing, Roll Call was taken, all were in favor. Motion Carries 5-0.

B. Adjournment

The meeting was adjourned at 3:31 p.m.

John DeCramer, Chair

This page intentionally left blank.

Item: Approval, Community Homeownership Impact Fund Scoring Revisions for the 2020 Single Family Request for Proposals

Staff Contact(s):

Song Lee, 651.296.2291, song.lee.mhfa@state.mn.us

Request Type:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Approval | <input type="checkbox"/> No Action Needed |
| <input checked="" type="checkbox"/> Motion | <input type="checkbox"/> Discussion |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Information |

Summary of Request:

Staff requests Board approval of the proposed changes to the scoring criteria for the 2020 Single Family Request for Proposals (RFP) and Community Homeownership Impact Fund (Impact Fund).

Fiscal Impact:

None.

Meeting Agency Priorities:

- ☒ Improve the Housing System
- ☒ Preserve and Create Housing Opportunities
- ☒ Make Homeownership More Accessible
- ☐ Support People Needing Services
- ☒ Strengthen Communities

Attachment(s):

- Background
- 2020 Single Family Request For Proposals Scoring Criteria

Background:

Minnesota Housing awards funding for owner-occupied housing projects through the annual Single Family Request for Proposals (SF RFP). The Community Homeownership Impact Fund (Impact Fund) is the program that implements the SF RFP and oversees the projects funded through the SF RFP. These projects include downpayment and closing cost assistance, owner-occupied rehabilitation, new construction, acquisition, rehabilitation, resale, and the Tribal Indian Housing Program.

Every year, Agency staff analyzes the scoring criteria and recommends whether changes, if any, should be made. The most recent changes to the scoring criteria were approved by the Board on February 21, 2019. This scoring criteria was used for the 2019 SF RFP.

This year, staff recommends changes to the scoring criteria following review of the 2019 SF RFP application round and aligning the scoring criteria with the Agency's 2020-2022 strategic priorities. These changes include our efforts for continuous improvement and streamlining the process for applicants and reviewers. They also reflect our efforts to support the Agency to go big, increase equity and inclusion, better serve rural communities, and more efficiently categorize points awarded.

Staff proposes revisions as follows:

- *Leverage*. While the total points for leverage remains the same, staff recommends removing "Leverage Ratio" and increasing the points for "Total Leverage." Leverage Ratio is removed because it is a comparison between leverage dollars and total development costs, which is not applicable to all activity types. Increasing the "Total Leverage" score and removing the "Leverage Ratio" score allows all activities to better incent leverage and reduce redundancy.
- *Program Design Suitable to Households of Greatest Need*. Remove Program Design Suitable to Households of Greater Need. It is already considered as a factor in scoring for Universal Design/Accessibility Features, Large Family Housing and Senior Housing.
- *Supporting Community and Economic Development*. Staff recommends moving the following priorities to this section: Location Efficiency, Community Recovery, Workforce Housing, and Economic Integration. These priorities were previously in the "Areas of Opportunity" section, which staff recommends removing. Staff also recommends reducing the points for Location Efficiency, Community Recovery, and Economic Integration. These priorities are based solely on the proposed target area. Reducing these points creates a more balanced statewide approach.
- *Rural Designation and Tribal Designation*. These were one combined priority for a total of 3 points. Staff recommends separating these into two priorities at 3 points each to encourage production in rural and tribal communities.
- *Business Entities Owned or Led by People of Color, Indigenous Individuals, and/or Women*. This reflects the Agency's commitment to equity and inclusion by providing points for developers and organizations led by people of color, indigenous individuals, and women.
- *Efficient Land Use*. Reduce and simplify the scoring for density.
- *Special Niche*. Remove Special Niche. It is already considered as a factor in scoring Community Need under the Selections Standards.
- *Opportunity Zones*. Remove Opportunity Zones. It is duplicative because it substantially overlaps with Community Recovery areas, which is already scored as a priority.

Points available for the three selection standards, organizational capacity, project feasibility and community need, will remain the same. Points available for funding priorities will decrease from a

2020 Single Family Request for Proposals Scoring Criteria

maximum of 65 points total to a maximum of 53 points. Note that the maximum number of points an applicant can receive is also dependent upon the proposed activity.

PROPOSED RECOMMENDATIONS**2020 SINGLE FAMILY REQUEST FOR PROPOSALS SCORING CRITERIA****SELECTION STANDARDS – up to 30 points total**

1. **Organizational Capacity** – up to 10 points based on the applicant’s related housing experience, demonstrated successful completion of similar projects, progress on current awards, and other organizational due diligence factors.
2. **Project Feasibility** – up to 10 points based on the extent to which reasonable development costs are proposed, how proposed development costs and subsidies compare to historical costs of similar Impact Fund projects, and the extent to which the proposal is economically viable.
3. **Community Need** – up to 10 points based on the extent to which the proposed project addresses a well-defined community need for the housing activity in the target geography based on local demographic, workforce, market and economic factors.

FUNDING PRIORITIES – up to 52 points total**Efficient Use of Resources – up to 13 points total.**

1. **Leverage** – up to 9 points.
 - a. Total Leverage – up to 6 points based on the percentage of total committed leverage as compared to the total funds requested.
 - b. Diversity of Leverage – up to 3 points based on whether the proposal has received committed leverage from an employer, government or philanthropic source.
2. **Regulatory Incentive** – 1 point for incorporating costs savings measures through regulatory incentives, such as fast-tracking permitting approvals and waiver of fees, among other incentives.
3. **Impact Fund Subsidy Protection/Long Term Affordability** – up to 3 points based on the number of years of subsidy protection/long term affordability restrictions.

Households of Greatest Need – up to 10 points.

1. **Equitable Access to Homeownership** – up to 6 points for demonstrating a record of creating equitable access to homeownership by serving and reaching out to Households of Greatest Needs (i.e. Households of Color and Indigenous Communities, Persons with Disabilities, and Single Headed Households). This criterion is considered at two levels – (1) past performance and (2) outreach and program design going forward.
 - a. Past Performance
 - i. Households of Color and Indigenous Communities – up to 2 points based on the extent to which the Applicant has served households of color and Indigenous Communities.
 - ii. Persons with Disabilities – 1 point based on the extent to which the applicant has served persons with disabilities.
 - iii. Single Headed Households – 1 point based on the extent to which the applicant has effectively served single headed households.

- b. Marketing and Outreach – 1 point based on the extent to which the Applicant’s marketing and outreach plans position the Applicant to reach Households of Greatest Needs.
2. **Universal Design/Accessibility Features** – 1 point for incorporating universal design/accessibility features.
3. **Large Family Housing** – 1 point for committing to developing large family housing (i.e., homes with four or more bedrooms).
4. **Senior Housing** – 2 points for proposals that will enable individuals 62+ years old to age in place.
5. **Homeownership or Financial Education and Counseling** – 1 point if applicant requires homebuyers to complete pre-purchase homeownership or financial education or counseling from a qualified provider.

Supporting Community and Economic Development – up to 19 points total.

1. **Cooperatively-Developed Plan (CDP)** – 1 point if the proposal addresses priorities or recommendations in a CDP for the community in which the proposed target area is located.
2. **Rural Designation** – 3 points based on whether a proposed target area is within a rural designated census tract.
3. **Tribal Designation** – 3 points based on whether a proposed target area is within a Tribal Designated census tract.
4. **Location Efficiency** – up to 2 points based on access to transit and walkability. The basis of points awarded is defined separately for the Twin Cities Seven County Metropolitan Area and Greater Minnesota.
 - a. Access to transit – 1 point based on the extent to which a proposed target area has access to fixed transit or dial-a-ride.
 - b. Walkability – 1 point based on a documented Walkscore rating of 50 or more.
5. **Community Recovery** – 1 point based on the extent to which a proposed target area coincides with communities identified as having lower median household income, older housing stock, and higher than average declines in home sales prices.
6. **Workforce Housing** – up to 5 points based on the extent to which a proposed target area has a low housing vacancy rate, long commute, and/or is a job growth community.
 - a. Long commute and/or job growth community – up to 3 points based on the extent to which the proposed target area coincides with areas identified as long commutes and/or job growth areas.
 - b. Low Housing Vacancy Rate – up to 2 points based on low vacancy rates.
7. **Workforce Training Programs** – 2 points based on proposals that partner with workforce training programs that will be utilized with proposed developments.
8. **Economic Integration** – 1 point based on the extent to which the proposed housing activity that is affordable to eligible low- and moderate-income households is located within higher-income areas and near job centers.
9. **Business Entities Owned or Led by People of Color, Indigenous Individuals, and/or Women** – 1 point if an owner or executive director of a for-profit or non-profit entity is a person of color, indigenous individual, and/or woman.

Increasing and Maintaining the Supply of Affordable Housing – up to 10 points total.

1. **Efficient Land Use** – up to 2 points based on the extent to which a proposal maximizes the efficient use of land through higher-density housing development and takes into consideration the following:

2020 Single Family Request for Proposals Scoring Criteria

- a. Rehabilitation proposals that increase inventory by converting non-residential buildings into housing and maximize units per acre; and
 - b. New Construction proposals that minimize the loss of agricultural land and green space and maximize units per acre.
2. **Maintaining Existing Housing Stock through Rehabilitation** – 3 points for projects that preserve existing affordable housing stock through rehabilitation, such as acquisition, rehabilitation, resale or owner-occupied housing rehabilitation projects.
3. **Foreclosed, Vacant or Abandoned Properties** – 1 point for proposals that bring homes back onto the market by addressing foreclosed, vacant or abandoned properties.
4. **Cost Containment through Advancement of Housing Innovation and Technology** – up to 2 points for proposals that use innovative construction methods and technology to contain costs (i.e., methods other than site-built), such as modular, panelized, robotics, and 3D printed methods of development.
5. **Affordable Housing Options** – up to 2 points for proposals that increase the supply of affordable housing through producing housing options other than single-family detached homes.

This page intentionally left blank.



Board Agenda Item: 6.B

Date: 3/26/2020

Item: Selection and Approval, Asset Management Loan
 - Dover Hill, D0582, Golden Valley

Staff Contact:

Carrie Weisman, 651.296.3789, carrie.weisman@state.mn.us

Request Type:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Approval | <input type="checkbox"/> No Action Needed |
| <input type="checkbox"/> Motion | <input type="checkbox"/> Discussion |
| <input checked="" type="checkbox"/> Resolution | <input type="checkbox"/> Information |

Summary of Request:

Minnesota Housing staff completed the underwriting and technical review of the proposed development and recommends the development for selection and funding. Agency staff also recommends adoption of a resolution authorizing the issuance of an Asset Management Loan program commitment in an amount not to exceed \$1,250,000, subject to the terms and conditions of Minnesota Housing's term letter.

Fiscal Impact:

This Asset Management loan will amortize and carry a 3% interest rate.

Meeting Agency Priorities:

- ☐ Improve the Housing System
- ☒ Preserve and Create Housing Opportunities
- ☐ Make Homeownership More Accessible
- ☐ Support People Needing Services
- ☐ Strengthen Communities

Attachment(s):

- Background
- Development Summary
- Resolution
- Resolution Attachment

Background:

Financing Adjustment Factor (FAF) and Financing Adjustment (FA) financing is the result of an agreement between the U.S. Department of Housing and Urban Development (HUD) and Minnesota Housing to share in savings resulting from refunding high interest rate bonds originally issued in 1980 through 1983 to finance Section 8 developments. These savings are available to fund certain asset management loans to address capital needs at Section 8 developments.

Development Summary:

Name:	Dover Hill Apartments	D0582
Address:	2400 Rhode Island Avenue North	App#: M18050
City:	Golden Valley	County: Hennepin
		Region: METRO

Mortgagor:

Ownership Entity:	Dover Hill Apartments, LLC
Sponsor:	Shelter Dover Hill Apartments, LLC

Development Team:

General Contractor:	Frerichs Construction, Minneapolis
Architect:	LHB, Inc.
Attorney:	Winthrop & Weinstein
Management Company:	Shelter Corporation

Current Funding Request/ Program and Terms:

\$1,250,000	Asset Management
Funding Source:	Financing Adjustment Factor (FAF)
Interest Rate:	3%
Term (Years):	7 years
Amortization (Years):	10 years

RENT GRID:

UNIT TYPE	NUMBER	GROSS RENT	AGENCY RENT LIMIT	INCOME AFFORDABILITY
1 BR	122	\$ 918	\$ 1,125	\$ 45,000
1 BR	21	\$ 977	\$ 1,125	\$ 45,000
2 BR	2	\$ 1,390	\$ 1,350	\$ 54,000
3 BR	14	\$ 1,529	\$ 1,560	\$ 62,400
1 BR	27	\$ 742	\$ 1,125	\$ 45,000
2 BR	8	\$ 828	\$ 1,350	\$ 54,000
2 BR	14	\$ 1,009	\$ 1,350	\$ 54,000
2 BR	24	\$ 1,009	\$ 1,350	\$ 54,000
3 BR	2	\$ 1,288	\$ 1,560	\$ 62,400
TOTAL	234			

Background:

Dover Hill is a 234 unit development located in the city of Golden Valley. The development was constructed in 1976 and consists of 13 buildings; one seven-story, senior high-rise building with 122 one-bedroom units, 12 townhome buildings with 48 one-bedroom units, 48 two-bedroom units, 16 three-bedroom units, and one community building. The project contains 159 project-based Section 8 units.

The Asset Management loan will be used to fund emergency repairs related to water intrusion at six of the project's townhome buildings.

Populations Served:

The development provides housing for seniors and families. One hundred fifty-nine units receive project-based Section 8 rental assistance.

Project Feasibility:

The project is feasible as proposed. Development financing includes the \$1,250,000 Asset Management loan. Other sources include existing replacement reserves of approximately \$1,124,348 and owner equity of \$57,205.

Development Team Capacity:

Shelter Corporation was established in 1992 and has the capacity to continue to manage the property successfully. Minnesota Housing staff has no concerns with the ownership or the property's ability to perform under the new loan.

Physical and Technical Review:

LHB, Inc. is the project architect and Frerichs Construction is the general contractor. Both have the capacity to effectively complete the project. Minnesota Housing staff has reviewed the scope of work and determined that the repairs are critically needed. The scope of work includes replacement of roofs, siding and windows at six of the development's townhome buildings.

Market Feasibility:

Dover Hill is located in a convenient area of Golden Valley. The development's average three-year vacancy rate is 1.2%. The loan is underwritten with a 3% vacancy rate.

DEVELOPMENT COST SUMMARY:

	Total	Per Unit
Total Development Cost	\$2,431,553	\$10,391
Acquisition or Refinance Cost	\$0	\$0
Gross Construction Cost	\$2,302,525	\$9,840
Soft Costs (excluding Reserves)	\$129,028	\$551
Non-Mortgageable Costs (excluding Reserves)	\$0	\$0
Reserves	\$0	\$0
Developer Fee	\$0	\$0
 Agency Deferred Loan Sources		
Asset Management Loan	\$1,250,000	\$5,342
Total Loan-to-Cost Ratio	51%	
 Other Non-Agency Sources		
Replacement Reserves	\$1,124,348	\$4,805
Owner Equity	\$57,205	\$244
 Total Non-Agency Sources	 \$1,181,553	 \$5,049

**MINNESOTA HOUSING FINANCE AGENCY
400 Wabash Street North, Suite 400
St. Paul, Minnesota 55102**

RESOLUTION NO. MHFA 20-

**RESOLUTION APPROVING MORTGAGE LOAN COMMITMENT
ASSET MANAGEMENT LOAN PROGRAM**

WHEREAS, the Minnesota Housing Finance Agency (Agency) has received an application to provide an Asset Management loan for a development to be occupied by persons and families of low- and moderate-income, as follows:

Name of Development:	Dover Hill Apartments
Sponsor:	Shelter Dover Hill Apartments, LLC
Location of Development:	Golden Valley, Minnesota
Number of Units:	234
Amount of Development Cost:	\$2,431,553
Amount of Mortgage:	\$1,250,000

WHEREAS, Agency staff has determined that such application is eligible for an Asset Management loan.

NOW THEREFORE, BE IT RESOLVED:

THAT, the board hereby authorizes Agency staff to issue a selection and approval letter to provide an Asset Management loan funded by Financing Adjustment Factor (FAF) financing to said applicant for the indicated development, upon the following terms and conditions:

1. The amount of the loan shall not exceed \$1,250,000; and
2. The interest rate of the loan shall be 3 percent per annum with annual payments based on a 10 year amortization; and
3. The term of loan shall be 7 years; and
4. The proposed rehab work must be completed within 12 months of the loan closing, and any funds not used by end of this period shall be deposited into the development's replacement reserve account; and
5. The mortgagor shall agree with the terms set forth in Minnesota Housing's term letter; and
6. The mortgagor shall execute documents embodying the above in form and substance acceptable to Agency staff.

Adopted this 26th day of March 2020

CHAIRMAN

This page intentionally blank.



400 Wabasha Street North, Suite 400
St. Paul, MN 55102
P: 800.657.3769
F: 651.296.8139 | TTY: 651.297.2361
www.mnhousing.gov

February 26, 2020

Jay Jensen
Dover Hill Apartments LLC
1600 Hopkins Crossroad
Minnetonka, MN 55305

RE: Term Letter
Dover Hill, Golden Valley
D0582, M18050

Dear Mr. Jensen:

Minnesota Housing Finance Agency ("Minnesota Housing") staff has approved your request for a loan or loans subject to the terms and conditions contained in this letter (the "Terms"). The Terms are subject to Minnesota Housing's Board of Directors' approval and meeting all underwriting standards, delivery of required due diligence, satisfactory loan documentation, and other loan closing requirements. The Terms do not constitute a commitment to lend on the part of Minnesota Housing and relate only to the specific financing referenced in this letter.

Borrower: A single asset entity: Dover Hill Apartments, LLC

Managing Member: Shelter Dover Hill Apartments, LLC

Development Description/Purpose: Limited scope rehabilitation of a 234-unit affordable development located in Golden Valley, Minnesota

Minnesota Housing Loan Type/Terms

Program:	Asset Management
Loan Amount:	\$1,250,000
Interest Rate	3.0%
Term:	7 years
Amortization:	10 years
Nonrecourse or Recourse	Nonrecourse
Construction/Permanent Loan or Construction Bridge Loan or End Loan	Construction/Permanent Loan
Lien Priority:	6 th

HAP or other Subsidy Agreement: Commitment to 10 years of affordability from the date of loan closing under the Section 8 Housing Assistance Payment Contract for 159 units.

Closing Costs: Borrower agrees to pay all closing costs related to the specific financing referenced in this letter.

Expiration Date: The Terms will expire six months from the date of this letter.

Additional Terms: None.

Other Conditions: Unspent contingency and/or cost savings must be deposited into the replacement reserve account.

Not a Binding Contract: This letter is not a commitment to be bound by the Terms in this letter. The parties expressly agree that this letter does not create a legally binding agreement. The parties further agree that the Terms are subject to the Borrower's ability to obtain all necessary financing for the Development, which may include additional financing from Minnesota Housing not referenced in this letter.

Please sign this letter and return it to Carrie Weisman at carrie.weisman@state.mn.us on or before March 4, 2020.

If you have any questions related to this letter, please contact Carrie Weisman at 651-296-3789 or by e-mail at carrie.weisman@state.mn.us.

We appreciate the opportunity to work with you on your affordable housing development.

Sincerely,


James Lehnhoff
Assistant Commissioner, Multifamily

AGREED AND ACCEPTED BY:

Dover Hill Apartments, LLC

By: 

Its: 

Date Accepted: 3/4/2020

Item: Selection Recommendations, Rental Rehabilitation Deferred Loan (RRDL) – 2019 USDA Rural Development (RD) Preservation Initiative Request for Proposals

Staff Contact(s):

Irene Ruiz-Briseno, 651.296.3837

irene.ruiz-briseno@state.mn.us

Dani Salus, 651.294.3178

danielle.salus@state.mn.us

David Schluchter, 651.296.8161

david.schluchter@state.mn.us

Request Type:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Approval | <input type="checkbox"/> No Action Needed |
| <input type="checkbox"/> Motion | <input type="checkbox"/> Discussion |
| <input checked="" type="checkbox"/> Resolution | <input type="checkbox"/> Information |

Summary of Request:

Staff requests approval and adoption of the attached resolutions authorizing the selection of 2019 USDA RD Preservation Initiative RRDL applicants. Staff is requesting approval to select 15 developments for funding commitment. The selections are subject to final underwriting and the terms and conditions of the RRDL Program Guide and loan documents. Staff also seeks board approval to select six developments for further processing.

Fiscal Impact:

The RRDL Program is funded with state appropriations; individual loans are non-amortizing and do not earn interest.

Meeting Agency Priorities:

- ☐ Improve the Housing System
- ☒ Preserve and Create Housing Opportunities
- ☐ Make Homeownership More Accessible
- ☐ Support People Needing Services
- ☐ Strengthen Communities

Attachment(s):

- Background and 2019 RRDL RD Preservation Selection Recommendations
- Map of 2019 RRDL RD Preservation Selection Recommendations
- Resolution(s)

Background:

In August 2019, RRDL program staff requested board approval of a special RRDL RFP for United States Department of Agriculture (USDA) Rural Development (RD) properties, including an updated program guide and a more streamlined application process. Staff collaborated with USDA RD to develop and refine the RFP application materials. In September 2019, Minnesota Housing released the RRDL RD RFP, offering up to \$10 million for the preservation of properties with USDA 515 mortgages and corresponding rental assistance. The USDA 515 mortgage program financed a large number of small to medium size buildings in small rural communities; rental assistance was traditionally associated with some or all of the units. Applications were due in November 2019.

The RFP included a more streamlined application process, which required a minimal number of application submittals and the submission of preliminary construction and development costs. Minnesota Housing RRDL program staff, along with USDA RD staff, provided three regional RFP training sessions in Brainerd, Saint Cloud, and Owatonna, which were well-attended. Additionally, each applicant was provided with an individual technical assistance session prior to the application deadline. During these technical assistance sessions, RRDL program staff explained general program guidelines, learned more about each applicant's proposed rehabilitation project, and provided tips on how to submit a competitive application.

Minnesota Housing received 34 applications, representing requests in excess of \$14.7 million. Thirteen applications did not submit all of the required application materials, and therefore could not be considered for funding. The remaining 21 applications were scored and reviewed for feasibility. None of the developments have previously received RRDL funding. The total amount being recommended for funding is \$9,608,300 for 21 projects with a total of 544 units. The average loan size is approximately \$457,538 or about \$17,662 per unit. The maximum award is the lesser of \$35,000 per unit or \$500,000.

Application Summary:

Applications Received	Applications Recommended for Funding Commitment	Applications Recommended for Selection for Further Processing	TOTAL Recommendations
34 Projects	15 Projects Recommended	6 Projects Recommended	21 Total Projects Recommended
830 Housing Units	341 Housing Units	203 Housing Units	544 Housing Units
\$14,758,238 Requested	\$6,927,800 Recommended	\$2,680,500 Recommended	\$9,608,300 Total Funding Recommended

Selection Criteria:

All developments were reviewed and evaluated by the Multifamily Preservation team, in collaboration with USDA RD staff, and focused on: community need, the need for rehabilitation, owner and management capacity, and preliminary project feasibility. During application review, Minnesota Housing

Agenda Item: 7.A
Background and Recommendations

worked closely with USDA RD's housing director and multifamily housing specialist to review each development's historical and future rents, operating expenses, balance sheet, rental assistance and mortgage maturity dates. By leveraging this relationship with USDA RD, RRDL program staff was able to remove a lot of uncertainty about the future operations of the recommended properties and potential risk to the agency.

Additionally, Minnesota Housing architectural staff reviewed the proposed projects, taking the following into consideration: prioritization of the scope of work, water and energy conservation measures to reduce operating expenses; immediacy of need; consequences of work not being completed; and cost reasonableness.

RRDL program staff is recommending that 15 developments be approved for funding commitment, totaling \$6,927,800 in RRDL funds and representing 341 units. Where applicable, some projects will be required to re-amortize their RD 515 mortgage to be co-terminus with the term of the RRDL loan as a condition of the funding. The extension of the USDA 515 mortgage will guarantee rental assistance for the life of the loan term.

2019 RRDL USDA RD Preservation Initiative Funding Commitment Recommendations

D #	Development	City	County	Units	Recommended Amount
8270	Evansville Apartments	Evansville	Douglas	8	\$ 220,000
0140	Ridgeway Court III	Bemidji	Beltrami	24	\$ 500,000
0141	Ridgeway Court IV	Bemidji	Beltrami	24	\$ 500,000
0211	Oak Crest Manor II	Brainerd	Crow Wing	30	\$ 500,000
0222	Ridgeview I	Brainerd	Crow Wing	24	\$ 500,000
0223	Ridgeview II	Brainerd	Crow Wing	24	\$ 500,000
0386	Prairieland Duplexes	Crookston	Polk	20	\$ 500,000
0387	Green Tree Square II	Crookston	Polk	16	\$ 500,000
1364	Southside Square	Roseau	Roseau	23	\$ 500,000
8068	Excelsior Court	Baxter	Crow Wing	24	\$ 500,000
8276	Mountain Manor Apartments	Mountain Iron	St Louis	39	\$ 500,000
8279	Oak Crest Manor I	Brainerd	Crow Wing	30	\$ 500,000
3007	School Square Apartments & Townhomes	Albany	Stearns	17	\$ 217,800
8277	Winsted Park Apartments	Winsted	McLeod	24	\$ 500,000
8269	Sunrise Apartments	St Martin	Stearns	14	\$ 490,000
Totals:	15			341	\$ 6,927,800

2019 RRDL USDA RD Preservation Initiative Projects Selected for Further Processing

RRDL program staff is also recommending six additional developments be selected for further processing for a total of \$2,680,500 representing 203 units.

While these projects have merit, there are various underwriting issues, such as transfer and acquisition and/or operating concerns that need resolution before funds would be committed. The matters of concern will be addressed during underwriting and will require final review and approval by Minnesota Housing's Mortgage Credit Committee before being brought to the board for commitment approval. RRDL program staff determined that selection for further processing would enable these applicants to continue to move forward.

D #	Development	City	County	Units	Recommended Amount
2791	Peace Villa Apartments	Norwood Young America	Carver	61	\$ 500,000
0573	Ghent Housing	Ghent	Lyon	12	\$ 420,000
8281	Gra-Mar Apartments	Kerkhoven	Swift	16	\$ 500,000
8275	Bertha Manor	Bertha	Todd	16	\$ 337,300
8278	Belle Haven and Britland Apartments (consolidation)	Belle Plaine Jordan	Scott	56	\$ 423,200
8274	Hilltop I, Hilltop II, and Mayer Elderly (consolidation)	Watertown Watertown Mayer	Carver	42	\$ 500,000
Totals:	6			203	\$ 2,680,500

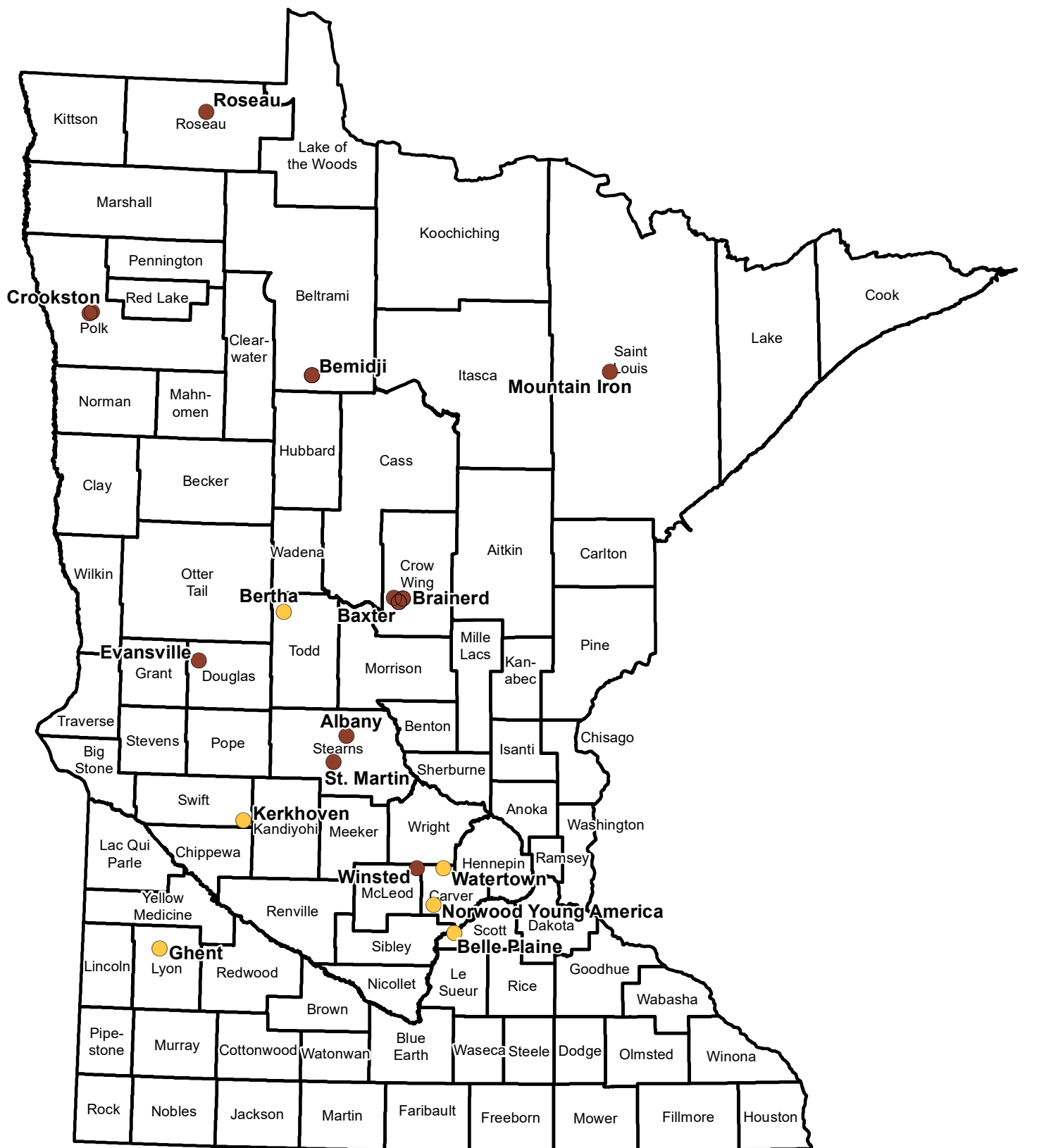
Post Selection:

Technical assistance will be provided to all selected projects with funding commitments, starting with a project launch meeting to outline next steps, and at various stages throughout the underwriting and due diligence process. RRDL program staff and architects will also work closely with the selected applicants to refine the project scope of work and evaluate if certain projects will require environmental inspections or professional architectural and/or engineering services based on the specific scope of work.

Those projects that are selected for further processing will meet with RD and RRDL program staff to discuss issues/concerns that need resolution before RRDL funding can be committed. RRDL program staff will continue to collaborate with RD staff to determine placement of additional units of rental assistance, exploration of potential rent increases, and terms of mortgage re-amortizations, as applicable.

Applicants that did not submit complete applications will be offered additional technical assistance to help them be more successful the next time they apply. That technical assistance will be offered in a variety of ways, including but not limited to additional one-on-one individual virtual meetings, and application instruction 'help' resources. RRDL program staff is considering whether to reopen the pipeline for these applicants or hold another RD specific RRDL funding round later in 2020. RRDL program staff is also evaluating other ways to make the process easier and more open so that newer applicants do not miss funding opportunities.

Consistent with Minnesota Housing's Strategic Plan, RRDL program staff is also collaborating with other multifamily and legal staff to review and revise due diligence requirements for the program to better align program expectations, outcomes, and risk with the needs in the communities served. As a result, all selected applicants will be provided with a more streamlined due diligence checklist. This streamlining work will continue into another potential RD-specific RFP and for RRDL pipeline applicants.



- Select/Commit
- Select With Conditions



**MINNESOTA HOUSING FINANCE AGENCY
400 Wabasha Street North, Suite 400
St. Paul, Minnesota 55102**

RESOLUTION NO. MHFA 20-

**RESOLUTION APPROVING MORTGAGE Loan COMMITMENTS
RENTAL REHABILITATION DEFERRED LOAN (RRDL) PROGRAM**

WHEREAS, the Minnesota Housing Finance Agency (Agency) has received applications to provide Rental Rehabilitation Deferred Loans for multifamily rental housing developments serving persons and families of low and moderate income; and

WHEREAS, Agency staff has reviewed the applications and determined that 15 such applications are eligible under the guidelines and thresholds of the Rental Rehabilitation Deferred Loan program.

NOW THEREFORE, BE IT RESOLVED:

1. The Board hereby authorizes Agency staff to issue selection and approval letters to provide Rental Rehabilitation Deferred Loans funded by state appropriations to the applicants for the following 15 developments, in the amounts and in compliance with the conditions set forth below:

D #	Development	City	County	Units	Recommended Amount
8270	Evansville Apartments	Evansville	Douglas	8	\$ 220,000
0140	Ridgeway Court III	Bemidji	Beltrami	24	\$ 500,000
0141	Ridgeway Court IV	Bemidji	Beltrami	24	\$ 500,000
0211	Oak Crest Manor II	Brainerd	Crow Wing	30	\$ 500,000
0222	Ridgeview I	Brainerd	Crow Wing	24	\$ 500,000
0223	Ridgeview II	Brainerd	Crow Wing	24	\$ 500,000
0386	Prairieland Duplexes	Crookston	Polk	20	\$ 500,000
0387	Green Tree Square II	Crookston	Polk	16	\$ 500,000
1364	Southside Square	Roseau	Roseau	23	\$ 500,000
8068	Excelsior Court	Baxter	Crow Wing	24	\$ 500,000
8276	Mountain Manor Apartments	Mountain Iron	St Louis	39	\$ 500,000
8279	Oak Crest Manor I	Brainerd	Crow Wing	30	\$ 500,000
3007	School Square Apartments & Townhomes	Albany	Stearns	17	\$ 217,800

D #	Development	City	County	Units	Recommended Amount
8277	Winsted Park Apartments	Winsted	McLeod	24	\$ 500,000
8269	Sunrise Apartments	St Martin	Stearns	14	\$ 490,000
Totals:	15			341	\$ 6,927,800

2. Conditions of lending:

- a) The amount of each loan shall not exceed \$500,000; and
- b) The interest rate of each loan shall be 0 percent; and
- c) The term of each loan shall be determined by Agency staff not exceed 30 years; and
- d) The issuance of a loan commitment in form and substance acceptable to Agency staff and the closing of the loans shall occur no later than 20 months from the adoption date of this Resolution; but if a development elects the End Loan Commitment, the End Loan Commitment shall occur no later than 20 months from the adoption date of this Resolution, and construction shall occur no later than 20 months from the adoption of this Resolution, and construction of the development shall be completed within 18 months from the date of the End Loan Commitment; and
- e) Any funds not used by the end of this period shall be determined to be unneeded and ineligible for disbursement; and
- f) The mortgagor shall agree with the terms set forth in Minnesota Housing's RRDL Program Guide; and
- g) The mortgagor shall execute documents embodying the above in form and substance acceptable to Agency staff; and
- h) These loan commitments, and any future commitments, are subject to the availability of state appropriations; and
- i) The mortgagors and such other parties, as Agency staff in their sole discretion deems necessary, shall execute all such documents relating to said loans.
- j) The commitment is subject to final underwriting approval and such conditions as Agency staff may impose pursuant to the underwriting process.

Adopted this 26th day of March 2020

CHAIRMAN

MINNESOTA HOUSING FINANCE AGENCY
400 Wabasha Street North, Suite 400
St. Paul, Minnesota 55102

RESOLUTION NO. MHFA 20-

**RESOLUTION APPROVING SELECTION OF DEVELOPMENTS FOR FURTHER PROCESSING
 RENTAL REHABILITATION DEFERRED LOAN (RRDL) PROGRAM**

WHEREAS, the Minnesota Housing Finance Agency (Agency) has received applications to provide Rental Rehabilitation Deferred Loans for multifamily rental housing developments serving persons and families of low and moderate income; and

WHEREAS, Agency staff has reviewed the applications and determined that six applications are eligible under the guidelines and thresholds of the Rental Rehabilitation Deferred Loan program but require further processing to resolve various underwriting concerns.

NOW THEREFORE, BE IT RESOLVED:

1. The Board hereby authorizes Agency staff to issue selection only letters, with contingencies, to provide Rental Rehabilitation Deferred Loans funded by state appropriations to the applicants for the following six developments:

D #	Development	City	County	Units	Recommended Amount
2791	Peace Villa Apartments	Norwood Young America	Carver	61	\$ 500,000
0573	Ghent Housing	Ghent	Lyon	12	\$ 420,000
8281	Gra-Mar Apartments	Kerkhoven	Swift	16	\$ 500,000
8275	Bertha Manor	Bertha	Todd	16	\$ 337,300
8274	Hilltop I, Hilltop II, & Mayer Elderly (Consolidation)	Watertown Mayer	Carver	42	\$ 500,000
8278	Belle Haven & Britland Apartments (Consolidation)	Belle Plaine Jordan	Scott	56	\$ 423,200
Totals:	6			203	\$ 2,680,500

2. Upon Agency staff's satisfactory resolution, determined at its sole discretion, of a project's underwriting, along with approval by the Agency's Mortgage Credit Committee, a project may be presented to the Board for funding commitment approval.

Adopted this 26th day of March 2020

CHAIRMAN

This page intentionally blank.

Item: Selection Recommendations, Workforce Housing Development Program Funding

Staff Contact(s):

Sara Bunn, 651.296.9827, sara.bunn@state.mn.us

Request Type:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Approval | <input type="checkbox"/> No Action Needed |
| <input type="checkbox"/> Motion | <input type="checkbox"/> Discussion |
| <input checked="" type="checkbox"/> Resolution | <input type="checkbox"/> Information |

Summary of Request:

Staff requests approval and adoption of the attached resolution authorizing the selection and funding of five Workforce Housing Development Program applications for a total amount of \$3,576,020.

Fiscal Impact:

The Workforce Housing Development Program is funded by state appropriations; neither grants nor forgivable loans offered under the Program earn interest income for the Agency.

Meeting Agency Priorities:

- ☐ Improve the Housing System
- ☒ Preserve and Create Housing Opportunities
- ☐ Make Homeownership More Accessible
- ☐ Support People Needing Services
- ☐ Strengthen Communities

Attachment(s):

- Background and Overview
- Funding Recommendations
- Resolution

Background:

The Workforce Housing Development Program is a competitive funding program that targets small to mid-size cities in Greater Minnesota that have a need for market rate, rental workforce housing. Grants or forgivable deferred loans are available to finance the construction of new residential rental properties in communities with proven job growth and demand for workforce rental housing. While the statute allows mixed-income developments, the program has a statutory preference for projects with the highest percentage of market rate units.

Prior to 2017, the Workforce Housing Development Program was administered by Minnesota's Department of Employment and Economic Development. In 2017, the Minnesota Legislature authorized Minnesota Housing to administer the program and appropriated \$4 million for 2017-2018. Minnesota Housing has administered two prior RFPs for the program and invested a total of \$3,827,000 in seven projects throughout the state.

Overview of 2019 RFP:

In October 2019, Minnesota Housing released its third Workforce Housing RFP, announcing the availability of up to \$4 million in funding. The Agency received six applications for a total request of \$4,079,270. Applications were assessed to determine if they met the following statutory threshold requirements:

- Eligible project area
- Vacancy rate at or below 5 percent
- Eligible uses
- Committed matching funds of a minimum of \$1 for every \$2 requested
- Community support as demonstrated by a letter from at least one employer with a minimum of 20 full-time equivalent employees.
- A funding request at or below 25 percent of total development costs

The applications were reviewed and scored based on six selection categories: feasibility; readiness to proceed; leverage; market characteristics; community size; and Opportunity Zones incentive. Staff then presented these scores to a selection committee along with a summary of market information, proposed rents and income levels to be served, development team capacity and general underwriting considerations. The selection committee assigned a feasibility score for each project. The scoring percentages used are indicated below.

Category	Percent of Score
Feasibility (market information, rents and incomes, development team capacity)	22%
Readiness to Proceed (site control, zoning, secured financing)	20%
Leverage (funding request as a percentage of total development costs)	15%
Market Characteristics (share of all units, number of units)	25%
Community Size (population of project area)	15%
Opportunity Zones Incentive (property located in opportunity zone)	3%

Agenda Item: 7.B
Funding Recommendations

Applicants request how they want to have their request structured, grant or loan, based on local needs and the project's funding structure. Market rate rental developments from the cities of Park Rapids, Long Prairie and Blue Earth are recommended for grant funding. Market rate developments from the cities of Watkins and Redwood Falls are recommended for deferred loans. Project construction will begin within 12 months of contract execution, and construction completion must occur within 24 months of construction start. Monitoring and reporting requirements will apply for a three year period.

Funding Recommendations:

In October 2019, Minnesota Housing released the Workforce Housing Development Program Request for Proposals (RFP) announcing up to \$4 million in available funds. Six applicants applied: the cities of Blue Earth, Watkins, Park Rapids, Long Prairie, Redwood Falls and Ellendale. One applicant, Ellendale, withdrew its application prior to selections. Staff is recommending funding the five remaining applications from the 2019 RFP for a total award of \$3,576,020.

The following table summarizes the final funding requests, funding recommendations and other pertinent information.

D#	Applicant	Funding Request	Funding Option	Funding Recommendation	Number of Units	Total Development Costs (TDC)
8294	Blue Earth	\$ 400,000	Grant	\$ 400,000	14	\$ 2,981,975
8296	Long Prairie	\$ 1,338,620	Grant	\$ 1,338,620	37	\$ 5,526,200
8297	Park Rapids	\$ 650,000	Grant	\$ 650,000	28	\$ 3,316,491
8298	Redwood Falls	\$ 770,000	Deferred Loan	\$ 770,000*	30	\$ 3,651,450
8299	Watkins	\$ 417,400	Deferred Loan	\$ 417,400	20	\$ 2,601,600
	Total	\$ 4,079,270		\$ 3,576,020	129	\$ 20,464,466

*The recommended award for this manufactured home community will be contingent upon the satisfactory completion of a third party infrastructure assessment and sufficient budget to cover necessary infrastructure improvements.

**MINNESOTA HOUSING FINANCE AGENCY
400 Wabasha Street North, Suite 400
St. Paul, Minnesota 55102**

RESOLUTION NO. MHFA 20-

**RESOLUTION APPROVING SELECTIONS FOR THE
WORKFORCE HOUSING DEVELOPMENT PROGRAM**

WHEREAS, the Minnesota Housing Finance Agency (Agency) has received a state appropriation of funds to support the Workforce Housing Development Program (Program); and

WHEREAS, the Agency has received applications for funds that will be used to build market rate residential rental properties in Greater Minnesota communities with proven job growth and demand for workforce housing; and

WHEREAS, Agency staff has reviewed the applications and determined that the applications are in compliance under the Agency's rules, regulations and policies; and that the applications will assist in fulfilling the purpose of Minn. Stat. ch. 462A.39; and

NOW THEREFORE, BE IT RESOLVED:

That the Minnesota Housing Board hereby authorizes Agency staff to enter into Grant Contracts and Loan Agreements for the Program in the amounts listed below with said applicants for the Workforce Housing Development Program, subject to the terms and conditions contained herein:

D#	Applicant	Funding Option	Funding Recommendation
8294	Blue Earth	Grant	\$ 400,000
8296	Long Prairie	Grant	\$ 1,338,620
8297	Park Rapids	Grant	\$ 650,000
8298	Redwood Falls	Deferred Loan	\$ 770,000
8299	Watkins	Deferred Loan	\$ 417,400
	TOTAL		\$ 3,576,020

That the commitment is subject to such conditions as staff may impose pursuant to their review process.

Adopted this 26th day of March 2020

CHAIRMAN